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VII. OLD BUSINESS (continued)

(C) Motion to Approve the Fiscal Year 2007 Independent Audit (Amended) (continued): City Administrator John Butz suggested asking the City's auditors to provide written comment and clarification on this issue.

Councilwoman Hawley said she would be amenable to asking the auditors for clarification.

A motion was made by Eudaly and seconded by Barklage to approve the Fiscal Year 2007 Independent Audit as amended. A voice vote on the motion showed eight (8) ayes, one (1) nay, and three (3) absent. Motion carried.

VIII. NEW BUSINESS

(A) Request for Lease Purchase Proposal for Electric Power Supply (Substation) Not to Exceed \$18 Million Through MAMU: Rolla Board of Public Works President Dr. James Stoffer addressed the Council and requested Council approval for Rolla Municipal Utilities' (RMU) participation in a lease/purchase funding agreement for electric system infrastructure, not to exceed \$18 million. He noted that RMU plans to construct a new bulk power station and purchase the facilities from Ameren UE. Dr. Stoffer continued by outlining the project associated with the funding. He pointed out that probably the most important aspect of this request is that the purpose of this activity is to improve the safety and reliability of the RMU system. These improvements will also facilitate the south and west extension of the city and the cost impact on the rate base of RMU will be minimal. Dr. Stoffer said RMU does not anticipate rate increases associated with this project. He asked the Council to consider approval of the concept after the appropriate ordinance has been drafted. Dr. Stoffer stated that the ordinance would be drafted after U.S. Bank goes through the accreditation and viability studies.

Councilman Ruck left the meeting at approximately 9:31 p.m.

In response to a request from Councilwoman Hawley for a copy of the R.W. Beck Study, Dr. Stoffer stated a copy of this study could be provided to the entire City Council during a closed session. He emphasized that it is a document that must be dealt with during a closed session.

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T. A. 14.

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VIII. NEW BUSINESS (continued)

(A) Request for Lease Purchase Proposal for Electric Power Supply (Substation) Not to Exceed \$18 Million Through MAMU (continued): RMU General Manager Dan Watkins added that it is a closed document because it is felt that the public interest is better served by non-disclosure of all the details in this document. He pointed out there is a provision of the Sunshine Law which sanctions it.

City Counselor John Beger advised the document contains certain security considerations for the safety of the system, which if released to the public, could endanger the security of the system.

(B) Review of the 2006 International Codes Related to the City of Rolla: Community Development Director John Petersen complimented Codes Administrator Brian Epstein and the Building Codes Review Committee for their work during the past several months in the review of the 2006 International Codes.

Codes Administrator Brian Epstein thanked the members of the Building Codes Review Committee which consisted of Councilman Terry Ruck, Councilman Gary Hicks, Mr. Phillip Lane from Meeks Lumber, Mr. Jack Mentink of Integrity Engineering, Fire Chief Robert Williams, Fire Marshall Larry Seest, and contractor Mark Williams. Mr. Epstein explained that in 2006 the Committee was appointed to review the 2006 International Codes for adoption. Mr. Epstein referred the Council to the letter, included in the agenda materials, from Mr. Jack Mentink, Chairman of the Building Codes Review Committee. The letter indicates the Committee unanimously voted to recommend that the City move forward with adoption of the new codes with minor amendments. Mr. Epstein noted that the Committee suggests that the implementation be delayed so it does not interfere with the ISO audit, which will probably be completed in December. Additionally, the Committee suggested that the implementation be pre-empted by an educational period. Mr. Epstein continued by highlighting the major proposed amendments to the 2006 International Code. He told the Council that most of the controversial amendments were in the residential code.

After some Council discussion, Mr. Epstein said he would return later this year with the proposed ordinance to take effect January 1, 2009.

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I. A. 15.